



Proposed Merger with AIS Anywhere Inc.
3 September 2019
Gooroo Ventures Limited (ASX:GOO)
gooroox.com

IMPORTANT NOTICE

This Presentation has been prepared by Gooroo Ventures Limited ("Gooroo") (ABN 96 613 924744). **It updates Gooroo's earlier presentation dated 31 July 2019 that was previously lodged with the ASX on that date.**

This Presentation is not an offer of securities.

The Presentation is a synopsis of the proposed merger of Gooroo with AIS Anywhere Inc ("AIS") 83-2313377, an unlisted private company incorporated in the state of Texas in the United States of America ("Proposed Merger"). It has been lodged with the ASX for access on the company information platform to inform investors about the Proposed Merger.

This Presentation contains certain forward looking statements concerning Gooroo's business, operations, plans and expectations which rely on the Proposed Merger being completed as outlined herein. The future statements will be tested during due diligence and are not guarantees of future performance or development as they involve known and unknown risks, uncertainties and other factors that are beyond the control of Gooroo.

Amongst those risks is regulatory approval from the ASX for the merger. In seeking to undertake the merger Gooroo has been advised that it will need to re-comply with Chapter 1 and 2 of the Listing Rules. Furthermore, the ASX may suspend trading in Gooroo's shares whilst it is seeking to re-comply.

The information on AIS in this Presentation has been based on information provided to Gooroo from AIS and its advisers. Gooroo has not in any way audited or independently verified the information provided to it by AIS. The fact that information has been included in this Presentation does not mean that Gooroo either expressly or impliedly warrants or in any way endorses the accuracy or completeness of that information or adopts any view contained in any source or represents in any way that any forecasts will be achieved. Noting the above, Gooroo has no reason to doubt any of the information provided to date by AIS. As part of the due diligence program being undertaken as part of the Proposed Merger independent verification is being sought of the materials contained herein.

Against this background, Gooroo is unable to give any warranty as to the accuracy or reliability of the AIS information contained in this Presentation and Gooroo, its directors, employees and consultants do not accept any responsibility for errors or omissions in this Presentation nor accept any liability for any loss or damage suffered by any person as a result of that person or any other person placing reliance upon the contents of the Presentation.

Gooroo intends to update this Presentation for any material matters that arise during the course of its due diligence and prior to the Proposed Merger being effected.



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1. EXECUTIVE SUMMARY

1.1 WHY MERGE WITH AIS?

- I. Direct alignment of IP in enterprise productivity and digital transformation leveraging AI
- II. Existing AIS US sales organisation and client base for Gooroo products
- III. Blue chip enterprise customer base and revenue streams with international footprint
- IV. Accelerates realisation of Gooroo vision and strategy

1.2 GOOROO VENTURES

Founded in 2012, listed on ASX on October 2016 (ASX:GOO)

Gooroo's business is based on its SaaS-based platform supporting enterprises and individuals, leveraging Artificial Intelligence

- *Applications in people and workforce transformation, team engagement, leadership development, recruitment, marketing and customer acquisition, and career planning; and*
- *Technology capable of being integrated with other software platforms*

Currently commercialising core technology platform and unique IP in modelling human thinking

- *Partnering with ManpowerGroup on an end-to-end hiring, reskilling and redeployment solution*
- *Partnering with Biz Group (Middle East) to introduce Gooroo technology to major corporates and government*
- *Partnering with PeoplePlus Australia on a government solution for the long-term unemployed*

Distribution via management/HR consultants, advertising/media groups and training companies

Clients and partners in Australia, USA, India and the Middle East



1.3 AIS ANYWHERE

AIS was established in 2014 and is a privately owned company

AIS is focused on transforming large organisations via proprietary software and services

- *Assisting clients understand their data and implement action plans via AI, Machine Learning, IoT (Internet of Things) and global ledger/Blockchain; with*
- *Gooroo software is a natural fit*

Offices in US and India

- *Over 70 staff*
- *Offshore development centre established in India*
- *Looking to expand in Asia-Pacific region*


An Enterprise Sales Business

- *With 3-5 year services contracts*

REVLON

verizon✓





50% of work tasks by people
may be replaced by automation
by 2030

Source: McKinsey & Co

2. INDUSTRY BACKGROUND


2.1 DIGITAL TRANSFORMATION

Digital Transformation is a reality for the enterprise

Tools causing digital disruption

- *AI, Robotics, Blockchain and IOT;*
- *Intelligent systems and predictive technologies; and*
- *Hyper-personalised messaging and user experiences*

Technology adoption rates increasing



32% of jobs are subject to
RADICAL change

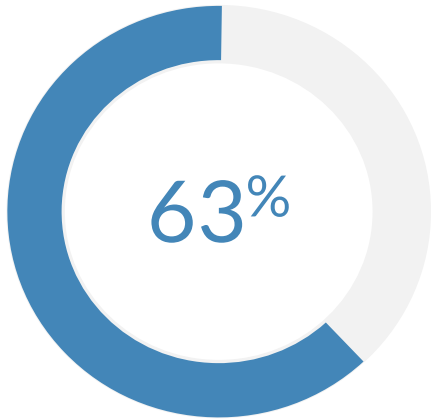
Source: Deloitte Human Capital Trends 2019

2.2 THE FUTURE OF BUSINESS

Future of Workforce and Work

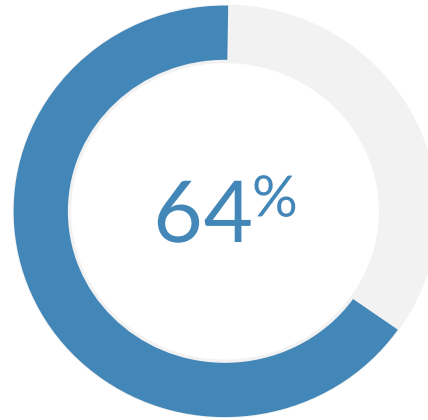
- *The Alternate Workforce*
- *Transitioning to “Superjobs”*
- *Transformational leadership*
- *“Moneyball” Teams*
- *Diversity of soft and hard skills to accelerate performance*

2.3 THE ROLE OF AI



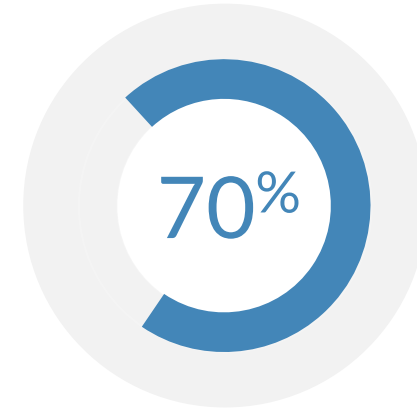
IMPORTANCE OF AI IS GROWING FAST

63% say that AI technologies are critically important to their business success today



ENABLING PRODUCTIVITY GAINS

64% are convinced AI technologies are helping them move ahead of their competition



Deloitte Global predicts that in 2019, among companies that adopt AI technology, 70 percent will obtain AI capabilities through cloud-based enterprise software (like Gooroo), and 65 percent will create AI applications using cloud-based development services (like AIS)

A woman with curly hair is shown from the chest up, looking out over a mountain range. She is wearing a white t-shirt with a graphic of a mountain range. The background is a blurred mountain landscape.

3. RATIONALE FOR MERGER

3.1 CURRENT POSITION

Corporations are experiencing disruption and fundamental business transformations

- *Transforming existing business models requires a multi-disciplinary approach – people, process and technology*
- *Gooroo is positioning itself as a leader in human-centred (people) transformation capabilities*

AI provides its clients with:

- *Technology development and digital transformation capabilities that leverage technology platforms in ML, AI and blockchain*

3.2 WHY MERGE BUSINESSES?

GOOROO'S RATIONALE

A merger with AIS offers:

- ✓ *A broader product and service offering*
- ✓ *Ability to support large-scale transformation through custom data and technology solutions*
- ✓ *An established enterprise salesforce in North America*
- ✓ *Access to more significant client budgets*
- ✓ *Access to a USA client base; and*
- ✓ *An established product development team in India to accelerate product development and commercialisation efforts*

→ AIS is a natural merger partner for Gooroo

AIS' RATIONALE

A merger with Gooroo offers:

- ✓ *A broader product and service offering*
 - ✓ *Access to significant relationships, such as with Microsoft, ManpowerGroup and many others*
 - ✓ *A beachhead to establish Asia-Pacific business*
 - ✓ *Access to capital markets; and*
 - ✓ *Access to new markets*
- AIS is a natural merger partner for Gooroo

3.3 THE COMBINATION

The merged company provides investors with security, confidence and strong growth prospects through:

- *Long-term contracts*
- *High quality clients*
- *Recurrent revenues*
- *Positive cashflows*
- *Geographic expansion; and*
- *Product line expansion*

The merged company provides clients with a better customer experience:

- *Market-leading predictive analytics capabilities that can support major enterprise workforce and community transformation challenges*
- *End-to-end custom application development*
- *Advanced engineering and professional services*
- *Greater global coverage and support*
- *Cloud, Artificial Intelligence, Machine Learning and IOT technologies; and*
- *Enhanced product development capacity and accelerated speed to market*

TYPICAL AIS CONTRACTS

Duration	3-5 years
Size	\$500,000 - 2 million per year (USD)
Products Offered	Chat Bots, AI Accelerator
Services Offered	Blockchain, AI and Machine Learning and Enterprise Digital Transformation
Engagement Type	Statement of Work (SOW), Time & Materials

FORTUNE 500
CLIENTS

S&P Global

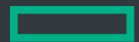


DentaQuest



CBRE

KEY AIS
CHANNEL PARTNERS



Hewlett Packard
Enterprise



KEY GOOROO
CLIENTS





4. COMBINED BUSINESS

4.1 THE WHAT

A globally-focused, advanced AI technology solutions company delivering:

- i. Revenue growth above combined capabilities;*
- ii. Solutions to enterprises and communities undergoing increasing digital disruption; and*
- iii. An established sales and delivery team with a blue chip customer base in North America*

4.2 THE BUSINESS

MARKET POSITION

A specialised AI-based technology solutions company with:

- *Long standing Fortune 500 customer relationships*
- *Strong service delivery execution capabilities*
- *International reach (Asia, USA, India)*

GEOGRAPHIC REACH

Currently serving customers in:

- *Australia*
- *Middle East*
- *India*
- *United States of America*

INTELLECTUAL PROPERTY

Proprietary software from both entities:

Enterprise

- *A predictive people analytics platform supporting workforce transformation, team development and engagement, internal mobility and recruitment*
- *Profiling consumers based on how they make choices*

Thinking Coach

- *A mobile app for individuals and teams (projected launch in Sept/Oct '19)*

Emotifics

- *AI with facial expression for predictive behavioural analysis*

Patent Pending

- *Method of understanding the process of human thinking*

4.3 THE SERVICE OFFERING

AI driven solutions supporting enterprise growth and productivity utilising predictive behavioural analysis



Workforce
transformation



Technology
transformation



Marketing & customer
experience
transformation



Business process
automation

4.3 AS A BUSINESS (cont)

HUMAN CAPITAL

Deep dedicated software engineering competencies

- *AI/Machine Learning/Deep Learning*
- *Blockchain and IoT*
- *Data management, analytics and workflow*
- *Cloud and SaaS solutions*

Established algorithms and technology capable of measuring human mindsets

GROWTH OPPORTUNITIES

- *Ability to take leadership position in the global trend towards digital transformation of enterprise workplaces*
- *Cross-selling within existing clients*
- *Expansion of client base across all geographies*
- *Continued commercial productisation of research in human behaviour and its impact on individuals, enterprises, communities and in marketing*
- *Potential incubation of AI/ML technologies/IP in our emerging product strategy*

4.4 THE FINANCIALS

Results for the 6 months to 31 December 2018, AUD \$M

	Gooroo	AIS*
Revenue	\$0.42	\$13.01
EBIT	-\$0.93	\$1.80
Cash	\$1.00	\$1.01
Net Assets	\$2.18	\$2.50

*Proforma results extracted from the AIS audited accounts for financial year 1 Jan to Dec 2018

Exchange rate used \$0.68 AUD-USD

5. PROPOSED MERGER TERMS

IN SUMMARY

TRANSACTION

Acquisition of 100% of AIS business* for 201 million Gooroo shares at A\$0.10/share

PURCHASE PRICE

AU\$20.1 million

- *AIS CY2018 EBIT (Audited)* *US\$1.98 million (A\$2.91 million)*
- *EBIT multiple applied* *6.917x*

* All Gooroo-AIS merger terms subject to approval by ASX as part of Gooroo seeking to re-comply with Chapter 1 and 2 of the Listing Rules

OTHER MERGER TERMS

BOARD

- *AIS Shareholders may nominate three directors to GOO's Board on Completion*
- *Five directors on GOO's Board following Completion (unless otherwise agreed)*
- *An independent Chairman will be appointed at Completion*

CONDITIONS PRECEDENT

- *Mutual due diligence*
- *Formal sale and purchase agreement*
- *ASX in-principle approval for Gooroo-AIS transaction*
- *Gooroo shareholder approval*
- *Completion of a capital raising for up to \$7 million at not less than A\$0.10/share*

6. IMPLEMENTATION PLAN

Gooroo and AIS commenced work on a combined business plan in July 2019. The ability of the merged entity to achieve timelines will be dependent on a number of factors including regulatory approval for the transaction.

6.1 DD & Business Plan



6. IMPLEMENTATION PLAN (cont)

6.2 Convertible Note Raising

To fund Transaction Costs and Working Capital prior to completion of the AIS acquisition, Gooroo has raised up to \$1.5 million. The key terms are:

Security Type	Convertible Notes
Issue Price	A\$0.05 per Note
Payment	30% on application 70% on ASX in-principle approval of AIS transaction. ASX guidance is expected late September 2019
Allotment	On shareholder meeting approving the Note issue. The meeting will be held on 18 September 2019
Conversion	If GOO completes its acquisition of the AIS business on or before 28 February 2020, <u>mandatory conversion</u> of Notes at the <u>greater of</u> 5c and a 50% discount to 5 day VWAP prior to shareholder meeting
Redemption	If the acquisition does not complete by 28 February 2020, subject to the Option below
Option	If the acquisition does not complete by 28 February 2020, Noteholders will have the option to redeem, or convert at the lower of \$0.05 and a 50% discount to the 5 day VWAP before the noteholder's election and make a further capital investment at the lower of 5c or a 30% discount to the 5 day VWAP prior to the execution of a term sheet with the Company within 90 days, limited to \$5 million, subject to the Company's capacity under ASX Listing Rule 7.1 and if required, shareholder approval
Approval	Shareholder approval is required for the Note issue. The meeting will be held on 18 September 2019.

AIS' major shareholder has agreed to subscribe for \$1 million of the Gooroo Convertible Notes

6. IMPLEMENTATION PLAN (cont)

6.3 Indicative Timetable*

Lodge proposal seeking in-principle advice on AIS transaction	w/b 2 September 2019
Shareholder meeting to approve issue of Convertible Notes	18 September 2019
ASX In-Principle advice on transaction and likely compliance with admission requirements	late September 2019
Independent Expert Report and other materials sent to Gooroo shareholders	mid October 2019
Gooroo shareholder meeting to approve acquisition of AIS	late November 2019

**subject to change dependent on due diligence and ASX recommendations*

7. CAPITAL STRUCTURE

Effect of Acquisition on Capital Structure

	<u>(M Shares)</u>
Current Shares on issue	110.2
Conversion of Notes (\$1.5m at 5c/share)*	30.0
Capital Raising (assuming \$5m at 10c/share)	<u>50.0</u>
	190.2
 Shares to be issued to AIS shareholders (refer Section 5)	 201.0
 Change in Control Performance Shares**	
- Tranche 1	5.0
- Tranche 2	2.5
- Tranche 3	<u>2.5</u>
	10.0
 Total Shares on Issue	 401.2

* Maximum number of shares to be issued on transaction completion (refer 6.2)

** Subject to ASX and Shareholder approval, the AIS acquisition will trigger Change in Control provisions for Gooroo's C Class Performance Shares. The net effect would be the issue of Gooroo shares to originating vendors of Gooroo as follows:

- 5.0m shares (50%) on Completion, escrowed to 30 June 2020;
- 2.5m shares (25%) on achieving \$0.15 share price (5 day VWAP) by 30 June 2020; and
- 2.5m shares (25%) on achieving \$0.20 share price (5 day VWAP) by 31 December 2020.

7. REASONS TO INVEST

- ✓ A profitable business with positive cashflows from date of completion
- ✓ Organic, recurrent revenue growth
- ✓ Blue chip enterprise customer base
- ✓ Advanced, market-leading solutions capability and software platforms
- ✓ Complementary products serving similar enterprise clients
- ✓ Opportunities for geographic expansion
- ✓ Opportunities to derive cost efficiencies

Capital Raising

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